

Remarks on the Bureau of Labor Statistics Report on the Employment Situation in May and an Exchange With Reporters in Rehoboth Beach, Delaware

June 3, 2022

The President. Good morning, everyone. With today's excellent jobs report and unemployment remaining at near-historic low of 3.6 percent, I want to speak very briefly today about our economy and what we're doing to lower the costs for American families.

I know that even with today's good news, a lot of Americans remain anxious, and I understand the feeling. I grew up in a family about 100 miles from here that if—where if the price of gas went up, you felt it. It was a discussion at the kitchen table. And there is no denying that high prices, particularly around gasoline and food, are a real problem for people.

But there is every reason for the American people to feel confident that we'll meet these challenges. Because of the enormous progress we've made on the economy, the Americans can tackle inflation from a position of strength. Still a problem, but we can tackle it from a position of strength.

The purpose and—that we've set out to accomplish and the progress we've made, I think, is critical. At the time I took office, about 16 months ago, the economy had stalled and COVID was out of control. Today, thanks to the economic plan and the vaccination plan that my administration put into action, America has achieved the most robust recovery in modern history, just 2 years removed from the worst economic crisis since the Great Depression.

The job market is the strongest it's been since just after World War II. We've got more evidence of that today. We learned that in May the economy added another 390,000 new jobs, bringing the total since I took office to 8.7 million new jobs, an alltime record.

We learned that more Americans entered the labor force in May. In fact, working-age people have come back into the workforce at a faster rate in this recovery than at any point in the last 40 years.

That means that the unemployment rate is near historic lows. And the number of Americans on unemployment benefits has gone from record highs to record lows, with millions of Americans moving up to better jobs, with better pay. And American manufacturing is booming: 600,000 new manufacturing jobs created since I took office.

But it isn't only about jobs. Since I took office, families are carrying less debt; their average savings are up.

A recent survey from the Federal Reserve found that more Americans feel financially comfortable than at any time since the survey began in 2013. That confidence and comfortability is part of the reason why Americans applied to start more new small businesses last year than ever before in American history.

And because of our historically strong growth, we have strengthened Medicare and Social Security programs that millions of American families rely on. Yesterday, I learned that Social Security and Medicare trust funds will be able to pay benefits for longer than previously projected before we passed the American Rescue Plan. The reason? A faster-than-expected recovery in jobs, earnings, economic growth has all strengthened the financial prospects for these bedrock programs.

In fact, America is stronger economic—in a stronger economic position today than just about any other country in the world. Independent experts have projected that the U.S. economy could grow faster than China's economy this year. That hasn't happened since 1976, nearly one-half century ago.

The point is this: We've laid an economic foundation that's historically strong. And now we're moving forward to a new moment where we can build on that foundation, build a future of stable, steady growth so we can bring down inflation without sacrificing all the historic gains we've made. And that's what we're beginning to see in today's jobs report.

With today's numbers, the jobs over the last 3 months have averaged about 400,000 jobs per month. That's historically robust and a sign we're beginning a shift to steady growth after rapidly recovering 600,000 jobs per month over the prior 6 months.

And as we move to a new period of stable, steady growth, we should expect to see more moderation. We aren't likely to see the kind of blockbuster job reports month after month like we had over this past year, but that's a good thing. That's a sign of a healthy economy with steady growth, rising wages for working families, everyday costs easing up, and shrinking the deficit.

That stability puts us in a strong position to tackle what is clearly a problem: inflation. I've been very clear that fighting inflation is my top economic priority. On Tuesday, I spoke about one element of my inflation plan: giving the Federal Reserve the space they need to operate.

Today I'd like to address the two additional elements of my plan to tackle inflation: one, bringing down the cost of everyday goods for families; and two, bringing down the Federal deficit at the same time.

Bringing down the costs—here's where we stand: The two challenges on the minds of most working families are prices at the pump and prices at the grocery store. Both of these challenges have been directly exacerbated by Putin's war in Ukraine.

The price of gas is up \$1.40 since the beginning of the year when Putin began amassing troops at the Ukrainian border. This is a "Putin price hike."

Putin's war has raised the price of food because Ukraine and Russia are two of the world's major breadbaskets for wheat and corn, the basic product for so many foods around the world.

Ukraine has 20 million tons of grain in storage right now, and it's been in storage since the last harvest. Normally, that would have already been exported into the world market. But because of Putin's invasion and a blockade of the port at which they could take that grain out for the rest of the world, it's not. It's not.

And look, I understand that families who are struggling probably don't care why the prices are up. They just want them to go down. "Joe, what are you going to do to bring them down?" But it's important that we understand the root of the problem so we can take steps to solve it.

I've been up front with the American people from the outset that there would be a cost here at home of Putin's decision to brutally and savagely invade a sovereign nation. But as your President, I remain committed to doing everything in my power to blunt the impact on American families, and that's exactly what I'm doing.

I led the world to coordinate the largest release of global oil reserves in history—240 million barrels—to boost global supply and keep prices from rising even more. I directed the sale of gasoline using homegrown biofuels this summer. And I'm working closely with our European partners to get more of the grain locked in Ukraine right now out into the world market, which could help bring down prices. There's ways to do that over land, which we could talk about at another time.

But actions have already helped to blunt that—what would have been an even larger Putin price hike. As I said, I'm going to continue to use every tool available to me to further blunt those price hikes as we move forward.

But the fact is this: There's more than one way to solve this problem. If food and gas prices are going to be elevated by Putin's price hike, one way we can make things a little better for families is by helping them save on other basic items their family needs on a monthly basis, like their utility bills, their internet bills, their prescription drug bills, and other costs like housing.

My goal is to make sure that at the end of the month families have a little more breathing room than they have now.

For example, here's something we can do right now: Congress could help ease the costs for families right away by passing my clean energy investment proposal, that I've proposed, that's been sitting there. Things like tax credits for businesses to produce clean energy and tax cuts for families to make their homes more energy efficient. That's what it results in.

I met with nearly a dozen CEOs of America's largest utility companies, such as Southern Company and American Electric Power. They told me that if we pass the investments, they will make immediately lower—they'll immediately lower the average family's energy costs by about \$500 a year. That would help a lot. That'd make up for a lot.

In the long run, it would help families make America truly energy independent so, in the future, American families are no longer subject to the whims of a dictator half a world away, controlling oil.

It's not just utility bills, though. I laid out a plan to lower prescription drug costs by giving Medicare the power to negotiate with the pharmaceutical companies and how much they can charge, just like they do with the Veterans Administration.

Right now they say, "We're not going to pay x —more than x amount of dollars for your insulin." Well, they can decide not to sell it at all, or they can sell it at the price that the Government says they'll pay for it, bringing down the average cost of prescription drugs.

By capping that cost of insulin, by the way, at no more than \$35 a month. It costs them less than 10 bucks to make it. And some—in some families, it means hundreds of dollars a month and sometimes hundreds of dollars a year, depending on what the—what ailment they're trying to deal with. Someone with diabetes, for example, it's hundreds of dollars per year. Someone with arthritis, it could be thousands of dollars per year.

I've laid out a plan to lower rent and mortgage costs—the largest cost most families face; around a third of a typical family's budget—because we have a shortage of housing. Building more than a million more housing units and closing the shortfall in affordable housing in this country will do that.

I've laid out a plan to lower the cost of high-speed internet by working with the 20 leading Internet service providers to cut their prices and raise their speeds. For tens of millions of households, this could lower what they have to pay for high-speed internet by \$50 a month or more. And nearly 40 percent of households in America qualify for these savings. And by the way, you can find out if you'd be eligible by visiting GetInternet.gov. GetInternet.gov. I'll say it again: GetInternet.gov. See if you qualify.

I've laid out a plan to lower the cost of everyday goods that move through our supply chains to stores and families' doorsteps. For example, at the State of the Union, I called on Congress to crack down on foreign-owned shipping companies that have raised their prices to transport goods by as much as 1,000 percent. One thousand percent. And that obviously raises the cost of the goods on those ships to consumers. The Senate has passed legislation, and I am hopeful the

House can do the same to send me legislation in the coming weeks to crack down on these companies and help lower overall costs.

And my plan does all this without raising a penny in taxes on people making less than \$400,000 a year and without raising the deficit at all by taxing the super wealthy and big corporations, like the 55 major corporations that don't pay a single penny in taxes, even though they had a—\$40 billion in profits.

The point is this: I'm doing everything I can on my own to help working families during this stretch of higher prices. And I'm going to continue to do that. But Congress needs to act as well. We can do so much more if we come together to lower the costs for American families.

But my congressional Republican friends, led by Rick Scott, have a different approach. He's actually introduced a plan. He wants to raise taxes on working families by an average of \$1,500 a year; put Medicare and Social Security—Medicaid, and—excuse me—Social Security and Medicaid on the chopping block every 5 years. In other words: Every 5 years, they're going to no longer exist unless they vote them back into existence.

I disagree with that. What in God's name are they doing?

And I'll work with anyone—Democrat, Republican, Independent—to deliver real solutions and real savings for the American people, not take money out of their pockets.

Now, the other element I'd like to address that has impacts on inflation is to lower the deficit. The reason this matters to families is because reducing the deficit is another way to ease inflation.

My friends on the Republican side like to paint me as the "big spender." But let's look at the facts. Facts matter. Under my predecessor, the deficit exploded, rising every single year he was in office. Under my plan, we're on track to cut the Federal deficit this year by \$1.7 trillion. You hear me now? This year by \$1.7 trillion. That's a fact. The largest decline in American history.

And by the way, those aren't White House projections. They come from the nonpartisan Congressional Budget Office that you in the press and everybody around the country legitimately quotes all the time.

That progress on tackling the deficit was not preordained. It was my economic strategy built into our historic recovery—that we didn't anticipate a war in Ukraine at the time. Historic economic growth that not only helped tens of millions of families move up, it has helped our Federal deficit come down.

And now, because of that strategy, we're on track for a deficit to take up a lower share of our economy than it did before the pandemic. In fact, the Treasury Department is planning to pay down—pay down—the national debt this quarter, which never happened under my predecessor. Not once. Not once. Because, unlike my predecessor, the deficit has come down both years I've been here.

I've proposed a plan to keep shrinking that deficit by making commonsense reforms to our Tax Code, leveling the playing field internationally so that the biggest companies no longer have an incentive to shift jobs overseas—to shift them overseas to make their product because they get charged less in taxes and avoid paying their fair share of taxes here at home. We put together a multination initiative that I'm hopeful will come into play at the G-7.

And ending the outrageous unfairness of our tax system that allows billionaires—look, if you can make a billion dollars, I'm all for it. Just pay a little bit of your fair share, you know? Just pay your fair share. Billionaires pay a lower rate than a teacher or a firefighter.

The bottom line is this: Part of the reason I ran for President is because I was tired of trickle-down economics. It doesn't work. My plans have produced the strongest, fastest, most widespread

economic recovery America has ever experienced, with record jobs, a new record of small businesses, and wages rising.

It's the foundation for an economy that works for working families. And because of that foundation, we're better positioned than any country in the world to overcome the global inflation that we're seeing and reach a new chapter of stable and steady growth.

So let's come together and focus on what's matter—on what matters. Let's build on the extraordinary progress we've made. And let's continue to build this economy from the bottom up and the middle out. When that happens, everybody does well, including the very wealthy.

Thank you. And God bless you. And I—God—may God protect our troops.

I'll take a few questions.

Yes.

Q. Mr. President, are you going to Saudi Arabia?

Q. Saudi Arabia, sir?

The President. Let me answer her——

National Economy/Space Exploration Technologies Corporation (SpaceX) Chief Executive Officer, Chief Technology Officer, and Chairman Elon R. Musk

Q. Mr. President, Elon Musk has asked—has said that he has a "super bad feeling" about the U.S. economy. He is laying off 10 percent of his workforce. What do you say to Elon Musk about his feeling about the economy? Jamie Dimon has said similar things.

The President. Well, let me tell you. While Elon Musk is talking about that, Ford is increasing their investment overwhelmingly. I think Ford is increasing the investment in building new electric vehicles: 6,000 new employees—union employees, I might add—in the Midwest.

The former Chrysler Corporation, Stellantis, they're also making similar investments in electric vehicles. Intel is adding 20,000 new jobs for making computer chips. So, you know, lots of luck on his trip to the Moon. I mean, I don't—I mean, you know.

The President's Travel Plans/Arab-Israeli Peace Process/Saudi Arabia

Q. Mr. President—are you going to go to Saudi Arabia, Mr. President?

The President. I'm not sure whether I'm going. I'm—I have no direct plans at the moment. But let me tell you that I have been engaged in trying to work with how we can bring more stability and peace to the Middle East.

And there is a possibility that I would be going to meet with both the Israelis and the—some Arab countries at the time—including, I expect, would be Saudi Arabia—would be included in that if I did go.

But I have no direct plans at the moment. We're looking at it.

Human Rights/Arab-Israeli Peace Process

Q. Is the Kingdom still a pariah, in your eyes?

The President. Look, I'm not going to change my view on human rights. But as President of the United States, my job is to bring peace if I can—peace if I can. And that's what I'm going to try to do.

Arab-Israeli Peace Process

Q. Mr. President, would you be open to meeting with the Crown Prince Mohammed bin Salman if you do end up going to Saudi Arabia?

The President. Look, we're getting way ahead of ourselves here. What I want to do is see to it that we diminish the likelihood that there's a continuation of this—some of the senseless wars between Israel and the Arab nations. And that's what I'm focused on.

Organization of the Petroleum Exporting Countries (OPEC)

Q. Is OPEC doing enough on oil production?

The President. Well, what I recently read and talking to my team that—they acknowledge that there is an oil shortage, and they have made an announcement, of late, that they're going to increase production. So I don't know enough to know whether it's enough, but I know it's positive.

Ukraine

Q. Mr. President, does Ukraine have to cede territory to achieve some peace?

The President. You know, you've been always fair with me. The—from the beginning, I've said and I've been—not everyone has agreed with me—nothing about Ukraine without Ukraine. It's their territory. I'm not going to tell them what they should and shouldn't do.

But it appears to me that, at some point along the line, there's going to have to be a negotiated settlement here. And what that entails, I don't know. I don't think anybody knows at the time. But in the meantime, we're going to continue to put the Ukrainians in a position where they can defend themselves.

Thank you all so very much.

Gun Control Legislation

Q. Mr. President, will you go to the Hill next week on guns to meet with lawmakers?

The President. My staff is—my staff is dealing—and have been dealing constantly with every Member of the House and Senate who's wanted to talk about guns. It's been a constant interchange. And I've been constantly briefed. I will do what I can to try to see that we have some real progress.

Thank you.

NOTE: The President spoke at 10:48 a.m. at the Rehoboth Beach Convention Center. In his remarks, he referred to President Vladimir Vladimirovich Putin of Russia; Tom Fanning, president and chief executive officer, Southern Co.; Nicholas K. Akins, chairman, president, and chief executive officer, American Electric Power; Sen. Richard L. Scott, in his capacity as chairman of the National Republican Senatorial Committee; and former President Donald J. Trump. A reporter referred to James L. Dimon, chairman and chief executive officer, JPMorgan Chase and Co.

Categories: Addresses and Remarks : Employment situation in May, Bureau of Labor Statistics report; Interviews With the News Media : Exchanges with reporters :: White House.

Locations: Washington, DC.

Names: Akins, Nicholas K.; Fanning, Tom; Musk, Elon R.; Putin, Vladimir Vladimirovich; Scott, Richard L.; Trump, Donald J.

Subjects: Agriculture : Food markets and prices; Budget, Federal : Deficit and national debt; Business and industry : Automobile industry :: Strengthening efforts; Business and industry : Domestic investment, promotion efforts; Business and industry : Small businesses, promotion efforts; Commerce, international : Global supply chain disruptions, efforts to address; Commerce, international : Group of Seven (G–7) nations; Communications : Broadband and wireless technologies; Diseases : Coronavirus, domestic prevention efforts; Economy, national : Household income and wages; Economy, national : Improvement; Economy, national : Inflation; Economy, national : Strengthening efforts; Employment and unemployment : Job creation and growth; Employment and unemployment : Unemployment rate; Energy : Alternative and renewable sources and technologies :: Promotion efforts; Energy : Electric and hybrid vehicles, promotion efforts; Energy : Ethanol and biofuels; Energy : Gasoline, oil, and natural gas costs; Foreign policy, U.S. : Civil and human rights, promotion efforts; Health and medical care : Medicare and Medicaid; Health and medical care : Prescription drugs, affordability and costs; Housing : Affordability and access, improvement efforts; Labor issues : Unions :: Labor movement and organized labor; Labor, Department of : Bureau of Labor Statistics; Law enforcement and crime : Gun control; Middle East : Arab-Israeli conflict, peace process; Petroleum Exporting Countries (OPEC), Organization of the; Reserve System, Federal; Russia : President; Russia : Ukraine, airstrikes and invasion; Social Security and retirement : Social Security program; Taxation : Corporate tax rates; Taxation : Tax Code, reform; Taxation : Tax relief; Ukraine : Russian airstrikes and invasion.

DCPD Number: DCPD202200484.